

PROFESSIONAL SERVICES AGREEMENT
CONTRACT NO. NAT14003-WATERSHEDENG
WATERSHED ENGINEERING PROFESSIONAL SERVICES

This Agreement ("Agreement") is entered into as of March 9th, 2015 ("Effective Date") and will end on March 9th, 2018, by and between the State of Delaware, Department of Natural Resources and Environmental Control, Division of Watershed Stewardship, Drainage Program ("Delaware"), and Rummel, Klepper & Kahl, a Limited Liability Partnership, with offices at One Riverwalk Center 110 South Poplar Street, Wilmington, DE 19801 ("RK&K").

WHEREAS, Delaware desires to obtain certain services to provide Watershed Engineering services for projects to alleviate the concerns documented in the task order request such as engineering review of existing drainage networks and topography, drainage and flooding improvements, hydraulics and hydrologic modeling, watershed studies, and construction engineering services; and

WHEREAS, RK&K desires to provide such services to Delaware on the terms set forth below;

WHEREAS, Delaware and RK&K represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, Delaware and RK&K agree as follows:

1. Services.

1.1 RK&K shall perform for Delaware the services specified in the Appendices to this Agreement, attached hereto and made a part hereof.

1.2 Entering into this Agreement entitles RK&K to receive task orders from Delaware during the Agreement period when Delaware requires professional services for Watershed Engineering Services on site-specific projects. The task order will request that RK&K submit a proposal to Delaware for the professional services requested in the task order. The task order may be sent, at Delaware's discretion, to more than one firm under Contract No. NAT14003-WATERSHEDENG. RK&K's site specific proposal shall be based on RK&K's rate schedule established as part of this Agreement (as detailed in the attached Appendix B – response to the request for proposals and rate schedule). If RK&K adjusts pricing over the course of this Agreement, the revised rate schedule must be submitted to Delaware in writing with a request for pricing adjustment on any future work via this agreement; such a pricing adjustment would only be applicable on future work, not ongoing/awarded site-specific

projects. Delaware, at its discretion, will select a site-specific proposal from one of the firms that received the task order. If RK&K's proposal is selected, RK&K will be invited to enter into negotiations to conclude an agreement to provide professional services on the site-specific project. In the negotiations, Delaware may request that RK&K use certain contractual staff classifications, specified in Appendix C, to provide the professional services called for in the task order. If Delaware and RK&K are able to reach an agreement on the site-specific project, it shall be set forth in an Addendum which shall be attached to this Agreement and made a part hereof. As used hereinafter, the term "Agreement" shall include all Addenda entered into hereunder, unless the two terms are used separately and the context indicates otherwise.

1.3 Any conflict or inconsistency between the provisions of the following documents shall be resolved by giving precedence to such documents in the following order: (a) this Agreement (including any amendments, addendums, or modifications thereto); (b) Delaware's request for proposals, attached hereto as Appendix A; and (c) RK&K's response to the request for proposals, attached hereto as Exhibit B. The aforementioned documents are specifically incorporated into this Agreement and made a part hereof.

1.4 Delaware may, at any time, by written order, make changes in the scope of this Agreement and in the services or work to be performed. No services for which additional compensation may be charged by RK&K shall be furnished without the written authorization of Delaware. When Delaware desires any addition or deletion to the deliverables or a change in the Services to be provided under this Agreement, it shall notify RK&K, who shall then submit to Delaware a "Change Order" for approval authorizing said change. The Change Order shall state whether the change shall cause an alteration in the price or the time required by RK&K for any aspect of its performance under this Agreement. Pricing of changes shall be consistent with those established within this Agreement.

1.5 RK&K will not be required to make changes to its scope of work that result in RK&K's costs exceeding the current unencumbered budgeted appropriations for the services. Any claim of either party for an adjustment under Section 1 of this Agreement shall be asserted in the manner specified in the writing that authorizes the adjustment.

2. Payment for Services and Expenses.

2.1 The term of the initial contract shall be from _____, 20__ through _____, 20__.

2.2 Delaware will pay RK&K for the performance of services described in

Appendix D, Statement of Work. The fee will be paid in accordance with the payment schedule attached hereto as part of Appendix C. **No work is to take place until the State has authorized work to commence with a task order signed by the Director of the Division of Watershed Stewardship, and a purchase order (PO) has been authorized specific to that task order. No payments will be made on any work performed prior to the authorization of a PO.**

2.3 Delaware's obligation to pay RK&K for the performance of services described in Appendix D, Statement of Work will not exceed the fixed fee amount of \$ 1,000,000. It is expressly understood that the work defined in the appendices to this Agreement must be completed by RK&K and it shall be RK&K's responsibility to ensure that hours and tasks are properly budgeted so that all services are completed for the agreed upon fixed fee. Delaware's total liability for all charges for services that may become due under this Agreement is limited to the total maximum expenditure(s) authorized in Delaware's purchase order(s) to RK&K.

2.4 RK&K shall submit monthly invoices to Delaware in sufficient detail to support the services provided during the previous month. Delaware agrees to pay those invoices within thirty (30) days of receipt. In the event Delaware disputes a portion of an invoice, Delaware agrees to pay the undisputed portion of the invoice within thirty (30) days of receipt and to provide RK&K a detailed statement of Delaware's position on the disputed portion of the invoice within thirty (30) days of receipt. Delaware's failure to pay any amount of an invoice that is not the subject of a good-faith dispute within thirty (30) days of receipt shall entitle RK&K to charge interest on the overdue portion at no more than 1.0% per month or 12% per annum. All payments should be sent to RK&K, at One Riverwalk Center 110, South Poplar Street, Wilmington, DE 19801.

2.5 Unless provided otherwise in an Appendix, all expenses incurred in the performance of the services are to be paid by RK&K. If an Appendix specifically provides for expense reimbursement, RK&K shall be reimbursed only for reasonable expenses incurred by RK&K in the performance of the services, including, but not necessarily limited to, travel and lodging expenses, permit application fees, communications charges, and computer time and supplies.

2.6 Delaware is a sovereign entity, and shall not be liable for the payment of federal, state and local sales, use and excise taxes, including any interest and penalties from any related deficiency, which may become due and payable as a consequence of this Agreement.

2.7 Delaware shall subtract from any payment made to RK&K all damages, costs and expenses caused by RK&K's negligence, resulting from or arising out of errors or omissions in RK&K's work products, which have not been previously paid to RK&K.

2.8 Invoices shall be submitted to:

Delaware Department of Natural Resources and Environmental Control
Division of Watershed Stewardship
89 Kings Highway
Dover, DE 19901
ATTN: Stephen Wright, P.E.

3. Responsibilities of RK&K.

3.1 RK&K shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by RK&K, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, RK&K shall follow practices consistent with generally accepted professional and technical standards. RK&K shall be responsible for ensuring that all services, products and deliverables furnished pursuant to this Agreement comply with the standards promulgated by the Department of Technology and Information ("DTI") published at <http://dti.delaware.gov/>, and as modified from time to time by DTI during the term of this Agreement provided that, if there is an irreconcilable conflict between the DTI standards and practices consistent with generally accepted technical standards for similar services performed under similar conditions at the same time and locality, the standards promulgated by DTI shall control. If any service, product or deliverable furnished pursuant to this Agreement does not conform with DTI standards, RK&K shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform with DTI standards. RK&K shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by RK&K's failure to ensure compliance with DTI standards.

3.2 It shall be the duty of the RK&K to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. RK&K will not produce a work product that violates or infringes on any copyright or patent rights. RK&K shall, without additional compensation, correct or revise any errors or omissions in its work products.

3.3 Permitted or required approval by Delaware of any products or services furnished by RK&K shall not in any way relieve RK&K of responsibility for the professional and technical accuracy and adequacy of its work. Delaware's review, approval, acceptance, or payment for any of RK&K's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and RK&K shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by RK&K's performance or

failure to perform under this Agreement.

3.4 RK&K shall appoint a Project Manager who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Project Manager, or by RK&K's associates and employees under the personal supervision of the Project Manager. The positions will be described in any Addendum for each task order under this Agreement.

3.5 Designation of persons for each position is subject to review and approval by Delaware. Should the staff need to be diverted off the project for what are now unforeseeable circumstances, RK&K will notify Delaware immediately and work out a transition plan that is acceptable to both parties, as well as agree to an acceptable replacement plan to fill or complete the work assigned to this project staff position. Replacement staff persons are subject to review and approval by Delaware. If RK&K fails to make a required replacement within 30 days, Delaware may terminate this Agreement for default. Upon receipt of written notice from Delaware that an employee of RK&K is unsuitable to Delaware for good cause, RK&K shall remove such employee from the performance of services and substitute in his/her place a suitable employee.

3.6 RK&K shall furnish to Delaware's designated representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.

3.7 RK&K agrees that its officers and employees will cooperate with Delaware in the performance of services under this Agreement and will be available for consultation with Delaware at such reasonable times with advance notice as to not conflict with their other responsibilities.

3.8 RK&K has or will retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by Delaware or any other political subdivision of Delaware.

3.9 RK&K will not use Delaware's name, either express or implied, in any of its advertising or sales materials without Delaware's express written consent.

3.10 The rights and remedies of Delaware provided for in this Agreement are in addition to any other rights and remedies provided by law.

4. Time Schedule.

4.1 A project schedule is included in Appendices.

4.2 Any delay of services or change in sequence of tasks must be approved in

writing by Delaware.

4.3 In the event that RK&K fails to complete the project or any phase thereof within the time specified in the Contract, or with such additional time as may be granted in writing by Delaware, or fails to prosecute the work, or any separable part thereof, with such diligence as will insure its completion within the time specified in this Agreement or any extensions thereof, Delaware shall suspend the payments scheduled as set forth in project specific Appendices.

5. State Responsibilities.

5.1 In connection with RK&K's provision of the Services, Delaware shall perform those tasks and fulfill those responsibilities specified in the appropriate Appendices.

5.2 Delaware agrees that its officers and employees will cooperate with RK&K in the performance of services under this Agreement and will be available for consultation with RK&K at such reasonable times with advance notice as to not conflict with their other responsibilities.

5.3 The services performed by RK&K under this Agreement shall be subject to review for compliance with the terms of this Agreement by Delaware's designated representatives. Delaware representatives may delegate any or all responsibilities under the Agreement to appropriate staff members, and shall so inform RK&K by written notice before the effective date of each such delegation.

5.4 The review comments of Delaware's designated representatives may be reported in writing as needed to RK&K. It is understood that Delaware's representatives' review comments do not relieve RK&K from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.

5.5 Delaware shall, without charge, furnish to or make available for examination or use by RK&K as it may request, any data which Delaware has available, including as examples only and not as a limitation:

- a. Copies of reports, surveys, records, and other pertinent documents;
- b. Copies of previously prepared reports, job specifications, surveys, records, ordinances, codes, regulations, other document, and information related to the services specified by this Agreement.

RK&K shall return any original data provided by Delaware.

5.6 Delaware shall assist RK&K in obtaining data on documents from public

officers or agencies and from private citizens and business firms whenever such material is necessary for the completion of the services specified by this Agreement.

5.7 RK&K will not be responsible for accuracy of information or data supplied by Delaware or other sources to the extent such information or data would be relied upon by a reasonably prudent consultant.

5.8 Delaware agrees not to use RK&K's name, either express or implied, in any of its advertising or sales materials. RK&K reserves the right to reuse the nonproprietary data and the analysis of industry-related information in its continuing analysis of the industries covered.

6. Work Product.

6.1 All materials, information, documents, and reports, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by RK&K for Delaware relating to the services to be performed hereunder shall become the property of Delaware and shall be delivered to Delaware's designated representative upon completion or termination of this Agreement, whichever comes first. RK&K shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by Delaware. Delaware shall have the right to reproduce all documentation supplied pursuant to this Agreement.

6.2 RK&K retains all title and interest to the data it furnished and/or generated pursuant to this Agreement. Retention of such title and interest does not conflict with Delaware's rights to the materials, information and documents developed in performing the project. Upon final payment, Delaware shall have a perpetual, nontransferable, non-exclusive paid-up right and license to use, copy, modify and prepare derivative works of all materials in which RK&K retains title, whether individually by RK&K or jointly with Delaware. Any and all source code developed in connection with the services provided will be provided to Delaware, and the aforementioned right and license shall apply to source code. The parties will cooperate with each other and execute such other documents as may be reasonably deemed necessary to achieve the objectives of this Section.

6.3 In no event shall RK&K be precluded from developing for itself, or for others, materials that are competitive with the Deliverables, irrespective of their similarity to the Deliverables. In addition, RK&K shall be free to use its general knowledge, skills and experience, and any ideas, concepts, know-how, and techniques within the scope of its consulting practice that are used in the course of providing the services.

6.4 Notwithstanding anything to the contrary contained herein or in any attachment hereto, any and all intellectual property or other proprietary data owned by RK&K prior to the effective date of this Agreement (“Preexisting Information”) shall remain the exclusive property of RK&K even if such Preexisting Information is embedded or otherwise incorporated into materials or products first produced as a result of this Agreement or used to develop such materials or products. Delaware’s rights under this section shall not apply to any Preexisting Information or any component thereof regardless of form or media.

7. Confidential Information.

To the extent permissible under 29 *Del. C.* § 10001, et seq., the parties to this Agreement shall preserve in strict confidence any information, reports or documents obtained, assembled or prepared in connection with the performance of this Agreement.

8. Warranty.

8.1 RK&K warrants that its services will be performed in a good and workmanlike manner. RK&K agrees to re-perform any work not in compliance with this warranty brought to its attention within a reasonable time after that work is performed.

8.2 Third-party products within the scope of this Agreement are warranted solely under the terms and conditions of the licenses or other agreements by which such products are governed. With respect to all third-party products and services purchased by RK&K for Delaware in connection with the provision of the Services, RK&K shall pass through or assign to Delaware the rights RK&K obtains from the manufacturers and/or vendors of such products and services (including warranty and indemnification rights), all to the extent that such rights are assignable.

9. Indemnification; Limitation of Liability.

9.1 RK&K shall indemnify and hold harmless the State, its officers and employees, from any and all liability, losses, and damages, together with all reasonable costs and expenses (including attorneys’ fees) to the extent caused by (A) the negligence or other wrongful conduct of the RK&K, its agents or employees, or (B) RK&K’s breach of any material provision of this Agreement not cured after due notice and opportunity to cure, provided as to (A) or (B) that (i) RK&K shall have been notified promptly in writing by Delaware of any notice of such claim; and (ii) RK&K shall have the option at its discretion to assume the sole control of the defense of any action on such claim and all negotiations for its

settlement or compromise.

9.2 If Delaware promptly notifies RK&K in writing of a third party claim against Delaware that any Deliverable infringes a copyright or a trade secret of any third party, RK&K will defend such claim at its expense and will pay any costs or damages that may be finally awarded against Delaware. RK&K will not indemnify Delaware, however, if the claim of infringement is caused by (1) Delaware's misuse or modification of the Deliverable; (2) Delaware's failure to use corrections or enhancements made available by RK&K; (3) Delaware's use of the Deliverable in combination with any product or information not owned or developed by RK&K; (4) Delaware's distribution, marketing or use for the benefit of third parties of the Deliverable or (5) information, direction, specification or materials provided by Client or any third party. If any Deliverable is, or in RK&K's opinion is likely to be, held to be infringing, RK&K shall at its expense and option either (a) procure the right for Delaware to continue using it, (b) replace it with a noninfringing equivalent, (c) modify it to make it noninfringing. The foregoing remedies constitute Delaware's sole and exclusive remedies and RK&K's entire liability with respect to infringement.

10. Employees.

10.1 RK&K has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by RK&K in the performance of the services hereunder; provided, however, that it will, subject to scheduling and staffing considerations, attempt to honor Delaware's request for specific individuals.

10.2 Except as the other party expressly authorizes in writing in advance, neither party shall solicit, offer work to, employ, or contract with, whether as a partner, employee or independent contractor, directly or indirectly, any of the other party's Personnel during their participation in the services or during the twelve (12) months thereafter. For purposes of this Section 10.2, "Personnel" includes any individual or company a party employs as a partner, employee or independent contractor and with which a party comes into direct contact in the course of the services.

11. Independent Contractor.

11.1 It is understood that in the performance of the services herein provided for, RK&K shall be, and is, an independent contractor, and is not an agent or employee of Delaware and shall furnish such services in its own manner and method except as required by this Agreement. RK&K shall be solely responsible

for, and shall indemnify, defend and save Delaware harmless from all matters relating to the payment of its employees, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

11.2 RK&K acknowledges that RK&K and any subcontractors, agents or employees employed by RK&K shall not, under any circumstances, be considered employees of Delaware, and that they shall not be entitled to any of the benefits or rights afforded employees of Delaware, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. Delaware will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of Delaware or any of its officers, employees or other agents.

11.3 RK&K shall be responsible for providing liability insurance for its personnel.

11.4 As an independent contractor, RK&K has no authority to bind or commit Delaware. Nothing herein shall be deemed or construed to create a joint venture, partnership, fiduciary or agency relationship between the parties for any purpose.

12. Suspension.

12.1 Delaware may suspend performance by RK&K under this Agreement for such period of time as Delaware, at its sole discretion, may prescribe by providing written notice to RK&K at least 30 working days prior to the date on which Delaware wishes to suspend. Upon such suspension, Delaware shall pay RK&K its compensation, based on the percentage of the project completed and earned until the effective date of suspension, less all previous payments. RK&K shall not perform further work under this Agreement after the effective date of suspension. RK&K shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from Delaware to resume performance.

12.2 In the event Delaware suspends performance by RK&K for any cause other than the error or omission of the RK&K, for an aggregate period in excess of 30 days, RK&K shall be entitled to an equitable adjustment of the compensation payable to RK&K under this Agreement to reimburse RK&K for additional costs occasioned as a result of such suspension of performance by Delaware based on appropriated funds and approval by Delaware.

13. Termination.

13.1 This Agreement may be terminated in whole or in part by either party in the event of substantial failure of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

- a. Not less than 30 calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with the terminating party prior to termination.

13.2 This Agreement may be terminated in whole or in part by Delaware for its convenience, but only after RK&K is given:

- a. Not less than 30 calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with Delaware prior to termination.

13.3 If termination for default is effected by Delaware, Delaware will pay RK&K that portion of the compensation which has been earned as of the effective date of termination but:

- a. No amount shall be allowed for anticipated profit on performed or unperformed services or other work, and
- b. Any payment due to RK&K at the time of termination may be adjusted to the extent of any additional costs occasioned to Delaware by reason of RK&K's default.
- c. Upon termination for default, Delaware may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event RK&K shall cease conducting business, Delaware shall have the right to make an unsolicited offer of employment to any employees of RK&K assigned to the performance of the Agreement, notwithstanding the provisions of Section 10.2.

13.4 If after termination for failure of RK&K to fulfill contractual obligations it is determined that RK&K has not so failed, the termination shall be deemed to have been effected for the convenience of Delaware.

13.5 The rights and remedies of Delaware and RK&K provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

13.6 Gratuities.

13.6.1 Delaware may, by written notice to RK&K, terminate this Agreement if it is found after notice and hearing by Delaware that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by RK&K or any agent or representative of RK&K to any officer or employee of Delaware with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.

13.6.2 In the event this Agreement is terminated as provided in 13.6.1 hereof, Delaware shall be entitled to pursue the same remedies against RK&K it could pursue in the event of a breach of this Agreement by RK&K.

13.6.3 The rights and remedies of Delaware provided in Section 13.6 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

14. Severability.

If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

15. Assignment; Subcontracts.

15.1 Any attempt by RK&K to assign or otherwise transfer any interest in this Agreement without the prior written consent of Delaware shall be void. Such consent shall not be unreasonably withheld.

15.2 Services specified by this Agreement shall not be subcontracted by RK&K, without prior written approval of Delaware.

15.3 Approval by Delaware of RK&K's request to subcontract or acceptance of or payment for subcontracted work by Delaware shall not in any way relieve RK&K of responsibility for the professional and technical accuracy and adequacy of the work. All subcontractors shall adhere to all applicable provisions of this

Agreement.

15.4 RK&K shall be and remain liable for all damages to Delaware caused by negligent performance or non-performance of work under this Agreement by RK&K, its subcontractor or its sub-subcontractor.

15.5 The compensation due shall not be affected by Delaware's approval of the RK&K's request to subcontract.

16. Force Majeure.

Neither party shall be liable for any delays or failures in performance due to circumstances beyond its reasonable control.

17. Non-Appropriation of Funds.

17.1 Validity and enforcement of this Agreement is subject to appropriations by the General Assembly of the specific funds necessary for contract performance. Should such funds not be so appropriated Delaware may immediately terminate this Agreement, and absent such action this Agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available, at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds.

17.2 Notwithstanding any other provisions of this Agreement, this Agreement shall terminate and Delaware's obligations under it shall be extinguished at the end of the fiscal year in which Delaware fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which will then become due.

18. State of Delaware Business License.

RK&K and all subcontractors represent that they are properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C.* § 2301.

19. Complete Agreement.

19.1 This agreement and its Appendices shall constitute the entire agreement between Delaware and RK&K with respect to the subject matter of this Agreement and shall not be modified or changed without the express written consent of the parties. The provisions of this agreement supersede all prior oral and written quotations, communications, agreements and understandings of the

parties with respect to the subject matter of this Agreement.

19.2 If the scope of any provision of this Agreement is too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the Agreement shall not thereby fail, but the scope of such provision shall be curtailed only to the extent necessary to conform to the law.

19.3 RK&K may not order any product requiring a purchase order prior to Delaware's issuance of such order. Each Appendix, except as its terms otherwise expressly provide, shall be a complete statement of its subject matter and shall supplement and modify the terms and conditions of this Agreement for the purposes of that engagement only. No other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the parties hereto with respect to the subject matter hereof.

20. Miscellaneous Provisions.

20.1 In performance of this Agreement, RK&K shall comply with all applicable federal, state and local laws, ordinances, codes and regulations. RK&K shall solely bear the costs of permits and other relevant costs required in the performance of this Agreement.

20.2 Neither this Agreement nor any appendix may be modified or amended except by the mutual written agreement of the parties. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the party against which it is sought to be enforced.

20.3 The delay or failure by either party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of that party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

20.4 RK&K covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. RK&K further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

20.5 RK&K acknowledges that Delaware has an obligation to ensure that

public funds are not used to subsidize private discrimination. RK&K recognizes that if they refuse to hire or do business with an individual or company due to reasons of race, color, gender, ethnicity, disability, national origin, age, or any other protected status, Delaware may declare RK&K in breach of the Agreement, terminate the Agreement, and designate RK&K as non-responsible.

20.6 RK&K warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, Delaware shall have the right to annul this contract without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

20.7 This Agreement was drafted with the joint participation of both parties and shall be construed neither against nor in favor of either, but rather in accordance with the fair meaning thereof.

20.8 RK&K shall maintain all public records, as defined by 29 *Del. C.* § 502(7), relating to this Agreement and its deliverables for the time and in the manner specified by the Delaware Division of Archives, pursuant to the Delaware Public Records Law, 29 *Del. C.* Ch. 5. During the term of this Agreement, authorized representatives of Delaware may inspect or audit RK&K's performance and records pertaining to this Agreement at the RK&K business office during normal business hours.

21. Insurance.

21.1 RK&K shall maintain the following insurance during the term of this Agreement:

- A. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law, **and**
- B. Comprehensive General Liability - \$1,000,000.00 per occurrence/\$3,000,000 general aggregate, **and**
- C. Medical/Professional Liability - \$1,000,000.00 per occurrence/\$3,000,000 general aggregate; or
- D. Miscellaneous Errors and Omissions - \$1,000,000.00 per occurrence/\$3,000,000 general aggregate, **and**
- E. If required to transport state employees, Automotive Liability Insurance covering all automotive units used in the work with

limits of not less than \$100,000 each person and \$300,000 each accident as to bodily injury and \$25,000 as to property damage to others.

- 21.2. RK&K shall provide forty-five (45) days written notice of cancellation or material change of any policies.
- 21.3. Before any work is done pursuant to this Agreement, the Certificate of Insurance and/or copies of the insurance policies, referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows:

Delaware Department of Natural Resources and Environmental Control
Division of Watershed Stewardship
89 Kings Highway, Dover, DE 19901

- 21.4. In no event shall the State of Delaware be named as an additional insured on any policy required under this agreement.

22. Assignment of Antitrust Claims.

As consideration for the award and execution of this contract by the State, RK&K hereby grants, conveys, sells, assigns, and transfers to Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, relating to the particular goods or services purchased or acquired by the State pursuant to this Contract.

23. Surviving Clauses

The following clauses survive the termination of this Contract: Sections 7, 8, & 9.

24. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, except where Federal Law has precedence. RK&K consents to jurisdiction and venue in the State of Delaware.

25. Notices.

Any and all notices required by the provisions of this Agreement shall be in writing and shall be mailed, certified or registered mail, return receipt requested. All notices shall be sent to the following addresses:

TO DELAWARE: Delaware Department of Natural Resources
and Environmental Control,
Division of Watershed Stewardship
c/o Stephen Wright
89 Kings Highway
Dover, DE 19901

TO RK&K: Rummel, Klepper & Kahl, LLP,
c/o James Eisenhardt, CFM, Senior Manager
One Riverwalk Center
110 South Poplar Street
Wilmington, DE 19801

SIGNATURE PAGE TO FOLLOW

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

**STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES
AND ENVIRONMENTAL CONTROL**

Original on File

Original on File

Witness

Name:

Date:

3/4/15

Title:

Date:

Secretary
3/4/15

RUMMEL, KLEPPER & KAHL, LLP

Original on File

Original on File

Witness

Name:

Date:

2/27/15

Title:

Date:

Partner
2/27/15

RK&K 2015 Rate Schedule

Expiration: December 31, 2016

<u>Classification</u>	<u>Rate</u>
Director/Senior Project Manager	\$200.00
Project Manager	\$180.00
Senior Water Resources Engineer	\$170.00
Senior Scientist	\$150.00
Water Resources Engineer	\$110.00
Senior Designer	\$100.00
Designer / Scientist	\$85.00
Landscape Architect	\$105.00
CAD Technician/Graphics Specialist	\$80.00
GIS Manager	\$130.00
GIS Technician	\$85.00
Construction Inspector	\$60.00
Traffic Engineer	\$145.00
Geotechnical Engineer	\$175.00
Structural Engineer	\$175.00
Survey Technician	\$80.00
2-Man Survey Crew	\$150.00
3-Man Survey Crew	\$175.00
Administrative/Clerical	\$55.00

Should the following items be necessary, direct expenses, such as materials, supplies and shall be billed at the actual rate. Example rates are as follows:

Mileage	Per Federal rate
Blackline prints	\$0.06/sf
Color prints	\$0.65/sf
Mylar prints	\$1.40/sf



The rates will escalate by 4% each year (April 1, 2015 and April 1, 2016) for the duration of the contract.

Approved by:

Original on File

A handwritten signature in black ink, appearing to read 'Carolann D. Wicks', written over a horizontal line.

Carolann D. Wicks, PE, Partner

January 1, 2015

A horizontal line drawn under the date 'January 1, 2015'.

Date

PROFESSIONAL SERVICES AGREEMENT
CONTRACT NO. NAT14003-WATERSHEDENG
WATERSHED ENGINEERING PROFESSIONAL SERVICES

This Agreement (“Agreement”) is entered into as of March 9th, 2015 (“Effective Date”) and will end on March 9th, 2018, by and between the State of Delaware, Department of Natural Resources and Environmental Control, Division of Watershed Stewardship, Drainage Program (“Delaware”), and Davis, Bowen & Friedel, Inc., with offices at One Plaza East, Suite 200, Salisbury, MD 21801 (“DB&F”).

WHEREAS, Delaware desires to obtain certain services to provide Watershed Engineering services for projects to alleviate the concerns documented in the task order request such as engineering review of existing drainage networks and topography, drainage and flooding improvements, hydraulics and hydrologic modeling, watershed studies, and construction engineering services; and

WHEREAS, DB&F desires to provide such services to Delaware on the terms set forth below;

WHEREAS, Delaware and DB&F represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, Delaware and DB&F agree as follows:

1. Services.

1.1 DB&F shall perform for Delaware the services specified in the Appendices to this Agreement, attached hereto and made a part hereof.

1.2 Entering into this Agreement entitles DB&F to receive task orders from Delaware during the Agreement period when Delaware requires professional services for Watershed Engineering Services on site-specific projects. The task order will request that DB&F submit a proposal to Delaware for the professional services requested in the task order. The task order may be sent, at Delaware’s discretion, to more than one firm under Contract No. NAT14003-WATERSHEDENG. DB&F’s site specific proposal shall be based on DB&F’s rate schedule established as part of this Agreement (as detailed in the attached Appendix B – response to the request for proposals and rate schedule). If DB&F adjusts pricing over the course of this Agreement, the revised rate schedule must be submitted to Delaware in writing with a request for pricing adjustment on any future work via this agreement; such a pricing adjustment would only be applicable on future work, not ongoing/awarded site-specific projects. Delaware, at its discretion, will select a site-specific proposal from one

of the firms that received the task order. If DB&F's proposal is selected, DB&F will be invited to enter into negotiations to conclude an agreement to provide professional services on the site-specific project. In the negotiations, Delaware may request that DB&F use certain contractual staff classifications, specified in Appendix C, to provide the professional services called for in the task orders. If Delaware and DB&F are able to reach an agreement on the site-specific project, it shall be set forth in an Addendum which shall be attached to this Agreement and made a part hereof. As used hereinafter, the term "Agreement" shall include all Addenda entered into hereunder, unless the two terms are used separately and the context indicates otherwise.

1.3 Any conflict or inconsistency between the provisions of the following documents shall be resolved by giving precedence to such documents in the following order: (a) this Agreement (including any amendments, addendums, or modifications thereto); (b) Delaware's request for proposals, attached hereto as Appendix A; and (c) DB&F's response to the request for proposals, attached hereto as Exhibit B. The aforementioned documents are specifically incorporated into this Agreement and made a part hereof.

1.4 Delaware may, at any time, by written order, make changes in the scope of this Agreement and in the services or work to be performed. No services for which additional compensation may be charged by DB&F shall be furnished without the written authorization of Delaware. When Delaware desires any addition or deletion to the deliverables or a change in the Services to be provided under this Agreement, it shall notify DB&F, who shall then submit to Delaware a "Change Order" for approval authorizing said change. The Change Order shall state whether the change shall cause an alteration in the price or the time required by DB&F for any aspect of its performance under this Agreement. Pricing of changes shall be consistent with those established within this Agreement.

1.5 DB&F will not be required to make changes to its scope of work that result in DB&F's costs exceeding the current unencumbered budgeted appropriations for the services. Any claim of either party for an adjustment under Section 1 of this Agreement shall be asserted in the manner specified in the writing that authorizes the adjustment.

2. Payment for Services and Expenses.

2.1 The term of the initial contract shall be from March 9th, 2015 through March 9th, 2018.

2.2 Delaware will pay DB&F for the performance of services described in Appendix D, Statement of Work. The fee will be paid in accordance with the

payment schedule attached hereto as part of Appendix C. **No work is to take place until the State has authorized work to commence with a task order signed by the Director of the Division of Watershed Stewardship, and a purchase order (PO) has been authorized specific to that task order. No payments will be made on any work performed prior to the authorization of a PO.**

2.3 Delaware's obligation to pay DB&F for the performance of services described in Appendix D, Statement of Work will not exceed the fixed fee amount of \$ 1,000,000. It is expressly understood that the work defined in the appendices to this Agreement must be completed by DB&F and it shall be DB&F's responsibility to ensure that hours and tasks are properly budgeted so that all services are completed for the agreed upon fixed fee. Delaware's total liability for all charges for services that may become due under this Agreement is limited to the total maximum expenditure(s) authorized in Delaware's purchase order(s) to DB&F.

2.4 DB&F shall submit monthly invoices to Delaware in sufficient detail to support the services provided during the previous month. Delaware agrees to pay those invoices within thirty (30) days of receipt. In the event Delaware disputes a portion of an invoice, Delaware agrees to pay the undisputed portion of the invoice within thirty (30) days of receipt and to provide DB&F a detailed statement of Delaware's position on the disputed portion of the invoice within thirty (30) days of receipt. Delaware's failure to pay any amount of an invoice that is not the subject of a good-faith dispute within thirty (30) days of receipt shall entitle DB&F to charge interest on the overdue portion at no more than 1.0% per month or 12% per annum. All payments should be sent to DB&F, at One Plaza East, Suite 200, Salisbury, MD 21801.

2.5 Unless provided otherwise in an Appendix, all expenses incurred in the performance of the services are to be paid by DB&F. If an Appendix specifically provides for expense reimbursement, DB&F shall be reimbursed only for reasonable expenses incurred by DB&F in the performance of the services, including, but not necessarily limited to, travel and lodging expenses, permit application fees, communications charges, and computer time and supplies.

2.6 Delaware is a sovereign entity, and shall not be liable for the payment of federal, state and local sales, use and excise taxes, including any interest and penalties from any related deficiency, which may become due and payable as a consequence of this Agreement.

2.7 Delaware shall subtract from any payment made to DB&F all damages, costs and expenses caused by DB&F's negligence, resulting from or arising out of errors or omissions in DB&F's work products, which have not been previously paid to DB&F.

2.8 Invoices shall be submitted to:

Division of Watershed Stewardship
89 Kings Highway
Dover, DE 19901
ATTN: Stephen Wright, P.E.

3. Responsibilities of DB&F.

3.1 DB&F shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished by DB&F, its subcontractors and its and their principals, officers, employees and agents under this Agreement. In performing the specified services, DB&F shall follow practices consistent with generally accepted professional and technical standards. DB&F shall be responsible for ensuring that all services, products and deliverables furnished pursuant to this Agreement comply with the standards promulgated by the Department of Technology and Information ("DTI") published at <http://dti.delaware.gov/>, and as modified from time to time by DTI during the term of this Agreement provided that, if there is an irreconcilable conflict between the DTI standards and practices consistent with generally accepted technical standards for similar services performed under similar conditions at the same time and locality, the standards promulgated by DTI shall control. If any service, product or deliverable furnished pursuant to this Agreement does not conform with DTI standards, DB&F shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform with DTI standards. DB&F shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by DB&F's failure to ensure compliance with DTI standards.

3.2 It shall be the duty of the DB&F to assure that all products of its effort are technically sound and in conformance with all pertinent Federal, State and Local statutes, codes, ordinances, resolutions and other regulations. DB&F will not produce a work product that violates or infringes on any copyright or patent rights. DB&F shall, without additional compensation, correct or revise any errors or omissions in its work products.

3.3 Permitted or required approval by Delaware of any products or services furnished by DB&F shall not in any way relieve DB&F of responsibility for the professional and technical accuracy and adequacy of its work. Delaware's review, approval, acceptance, or payment for any of DB&F's services herein shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and DB&F shall be and remain liable in accordance with the terms of this Agreement and applicable law for all damages to Delaware caused by DB&F's performance or failure to perform under this Agreement.

3.4 DB&F shall appoint a Project Manager who will manage the performance of services. All of the services specified by this Agreement shall be performed by the Project Manager, or by DB&F's associates and employees under the personal supervision of the Project Manager. The positions will be described in any Addendum for each task order under this Agreement.

3.5 Designation of persons for each position is subject to review and approval by Delaware. Should the staff need to be diverted off the project for what are now unforeseeable circumstances, DB&F will notify Delaware immediately and work out a transition plan that is acceptable to both parties, as well as agree to an acceptable replacement plan to fill or complete the work assigned to this project staff position. Replacement staff persons are subject to review and approval by Delaware. If DB&F fails to make a required replacement within 30 days, Delaware may terminate this Agreement for default. Upon receipt of written notice from Delaware that an employee of DB&F is unsuitable to Delaware for good cause, DB&F shall remove such employee from the performance of services and substitute in his/her place a suitable employee.

3.6 DB&F shall furnish to Delaware's designated representative copies of all correspondence to regulatory agencies for review prior to mailing such correspondence.

3.7 DB&F agrees that its officers and employees will cooperate with Delaware in the performance of services under this Agreement and will be available for consultation with Delaware at such reasonable times with advance notice as to not conflict with their other responsibilities.

3.8 DB&F has or will retain such employees as it may need to perform the services required by this Agreement. Such employees shall not be employed by Delaware or any other political subdivision of Delaware.

3.9 DB&F will not use Delaware's name, either express or implied, in any of its advertising or sales materials without Delaware's express written consent.

3.10 The rights and remedies of Delaware provided for in this Agreement are in addition to any other rights and remedies provided by law.

4. Time Schedule.

4.1 A project schedule is included in Appendices.

4.2 Any delay of services or change in sequence of tasks must be approved in writing by Delaware.

4.3 In the event that DB&F fails to complete the project or any phase thereof within the time specified in the Contract, or with such additional time as may be granted in writing by Delaware, or fails to prosecute the work, or any separable part thereof, with such diligence as will insure its completion within the time specified in this Agreement or any extensions thereof, Delaware shall suspend the payments scheduled as set forth in project specific Appendices.

5. State Responsibilities.

5.1 In connection with DB&F's provision of the Services, Delaware shall perform those tasks and fulfill those responsibilities specified in the appropriate Appendices.

5.2 Delaware agrees that its officers and employees will cooperate with DB&F in the performance of services under this Agreement and will be available for consultation with DB&F at such reasonable times with advance notice as to not conflict with their other responsibilities.

5.3 The services performed by DB&F under this Agreement shall be subject to review for compliance with the terms of this Agreement by Delaware's designated representatives. Delaware representatives may delegate any or all responsibilities under the Agreement to appropriate staff members, and shall so inform DB&F by written notice before the effective date of each such delegation.

5.4 The review comments of Delaware's designated representatives may be reported in writing as needed to DB&F. It is understood that Delaware's representatives' review comments do not relieve DB&F from the responsibility for the professional and technical accuracy of all work delivered under this Agreement.

5.5 Delaware shall, without charge, furnish to or make available for examination or use by DB&F as it may request, any data which Delaware has available, including as examples only and not as a limitation:

- a. Copies of reports, surveys, records, and other pertinent documents;
- b. Copies of previously prepared reports, job specifications, surveys, records, ordinances, codes, regulations, other document, and information related to the services specified by this Agreement.

DB&F shall return any original data provided by Delaware.

5.6 Delaware shall assist DB&F in obtaining data on documents from public officers or agencies and from private citizens and business firms whenever such material is necessary for the completion of the services specified by this

Agreement.

5.7 DB&F will not be responsible for accuracy of information or data supplied by Delaware or other sources to the extent such information or data would be relied upon by a reasonably prudent consultant.

5.8 Delaware agrees not to use DB&F's name, either express or implied, in any of its advertising or sales materials. DB&F reserves the right to reuse the nonproprietary data and the analysis of industry-related information in its continuing analysis of the industries covered.

6. Work Product.

6.1 All materials, information, documents, and reports, whether finished, unfinished, or draft, developed, prepared, completed, or acquired by DB&F for Delaware relating to the services to be performed hereunder shall become the property of Delaware and shall be delivered to Delaware's designated representative upon completion or termination of this Agreement, whichever comes first. DB&F shall not be liable for damages, claims, and losses arising out of any reuse of any work products on any other project conducted by Delaware. Delaware shall have the right to reproduce all documentation supplied pursuant to this Agreement.

6.2 DB&F retains all title and interest to the data it furnished and/or generated pursuant to this Agreement. Retention of such title and interest does not conflict with Delaware's rights to the materials, information and documents developed in performing the project. Upon final payment, Delaware shall have a perpetual, nontransferable, non-exclusive paid-up right and license to use, copy, modify and prepare derivative works of all materials in which DB&F retains title, whether individually by DB&F or jointly with Delaware. Any and all source code developed in connection with the services provided will be provided to Delaware, and the aforementioned right and license shall apply to source code. The parties will cooperate with each other and execute such other documents as may be reasonably deemed necessary to achieve the objectives of this Section.

6.3 In no event shall DB&F be precluded from developing for itself, or for others, materials that are competitive with the Deliverables, irrespective of their similarity to the Deliverables. In addition, DB&F shall be free to use its general knowledge, skills and experience, and any ideas, concepts, know-how, and techniques within the scope of its consulting practice that are used in the course of providing the services.

6.4 Notwithstanding anything to the contrary contained herein or in any attachment hereto, any and all intellectual property or other proprietary data

owned by DB&F prior to the effective date of this Agreement ("Preexisting Information") shall remain the exclusive property of DB&F even if such Preexisting Information is embedded or otherwise incorporated into materials or products first produced as a result of this Agreement or used to develop such materials or products. Delaware's rights under this section shall not apply to any Preexisting Information or any component thereof regardless of form or media.

7. Confidential Information.

To the extent permissible under 29 *Del. C.* § 10001, et seq., the parties to this Agreement shall preserve in strict confidence any information, reports or documents obtained, assembled or prepared in connection with the performance of this Agreement.

8. Warranty.

8.1 DB&F warrants that its services will be performed in a good and workmanlike manner. DB&F agrees to re-perform any work not in compliance with this warranty brought to its attention within a reasonable time after that work is performed.

8.2 Third-party products within the scope of this Agreement are warranted solely under the terms and conditions of the licenses or other agreements by which such products are governed. With respect to all third-party products and services purchased by DB&F for Delaware in connection with the provision of the Services, DB&F shall pass through or assign to Delaware the rights DB&F obtains from the manufacturers and/or vendors of such products and services (including warranty and indemnification rights), all to the extent that such rights are assignable.

9. Indemnification; Limitation of Liability.

9.1 DB&F shall indemnify and hold harmless the State, its officers and employees, from any and all liability, losses, and damages, together with all reasonable costs and expenses (including attorneys' fees) to the extent caused by (A) the negligence or other wrongful conduct of the DB&F, its agents or employees, or (B) DB&F's breach of any material provision of this Agreement not cured after due notice and opportunity to cure, provided as to (A) or (B) that (i) DB&F shall have been notified promptly in writing by Delaware of any notice of such claim; and (ii) DB&F shall have the option at its discretion to assume the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise.

9.2 If Delaware promptly notifies DB&F in writing of a third party claim against Delaware that any Deliverable infringes a copyright or a trade secret of any third party, DB&F will defend such claim at its expense and will pay any costs or damages that may be finally awarded against Delaware. DB&F will not indemnify Delaware, however, if the claim of infringement is caused by (1) Delaware's misuse or modification of the Deliverable; (2) Delaware's failure to use corrections or enhancements made available by DB&F; (3) Delaware's use of the Deliverable in combination with any product or information not owned or developed by DB&F; (4) Delaware's distribution, marketing or use for the benefit of third parties of the Deliverable or (5) information, direction, specification or materials provided by Client or any third party. If any Deliverable is, or in DB&F's opinion is likely to be, held to be infringing, DB&F shall at its expense and option either (a) procure the right for Delaware to continue using it, (b) replace it with a noninfringing equivalent, (c) modify it to make it noninfringing. The foregoing remedies constitute Delaware's sole and exclusive remedies and DB&F's entire liability with respect to infringement.

10. Employees.

10.1 DB&F has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by DB&F in the performance of the services hereunder; provided, however, that it will, subject to scheduling and staffing considerations, attempt to honor Delaware's request for specific individuals.

10.2 Except as the other party expressly authorizes in writing in advance, neither party shall solicit, offer work to, employ, or contract with, whether as a partner, employee or independent contractor, directly or indirectly, any of the other party's Personnel during their participation in the services or during the twelve (12) months thereafter. For purposes of this Section 10.2, "Personnel" includes any individual or company a party employs as a partner, employee or independent contractor and with which a party comes into direct contact in the course of the services.

11. Independent Contractor.

11.1 It is understood that in the performance of the services herein provided for, DB&F shall be, and is, an independent contractor, and is not an agent or employee of Delaware and shall furnish such services in its own manner and method except as required by this Agreement. DB&F shall be solely responsible for, and shall indemnify, defend and save Delaware harmless from all matters relating to the payment of its employees, including compliance with social

security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

11.2 DB&F acknowledges that DB&F and any subcontractors, agents or employees employed by DB&F shall not, under any circumstances, be considered employees of Delaware, and that they shall not be entitled to any of the benefits or rights afforded employees of Delaware, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits. Delaware will not provide or pay for any liability or medical insurance, retirement contributions or any other benefits for or on behalf of Delaware or any of its officers, employees or other agents.

11.3 DB&F shall be responsible for providing liability insurance for its personnel.

11.4 As an independent contractor, DB&F has no authority to bind or commit Delaware. Nothing herein shall be deemed or construed to create a joint venture, partnership, fiduciary or agency relationship between the parties for any purpose.

12. Suspension.

12.1 Delaware may suspend performance by DB&F under this Agreement for such period of time as Delaware, at its sole discretion, may prescribe by providing written notice to DB&F at least 30 working days prior to the date on which Delaware wishes to suspend. Upon such suspension, Delaware shall pay DB&F its compensation, based on the percentage of the project completed and earned until the effective date of suspension, less all previous payments. DB&F shall not perform further work under this Agreement after the effective date of suspension. DB&F shall not perform further work under this Agreement after the effective date of suspension until receipt of written notice from Delaware to resume performance.

12.2 In the event Delaware suspends performance by DB&F for any cause other than the error or omission of the DB&F, for an aggregate period in excess of 30 days, DB&F shall be entitled to an equitable adjustment of the compensation payable to DB&F under this Agreement to reimburse DB&F for additional costs occasioned as a result of such suspension of performance by Delaware based on appropriated funds and approval by Delaware.

13. Termination.

13.1 This Agreement may be terminated in whole or in part by either party in

the event of substantial failure of the other party to fulfill its obligations under this Agreement through no fault of the terminating party; but only after the other party is given:

- a. Not less than 30 calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with the terminating party prior to termination.

13.2 This Agreement may be terminated in whole or in part by Delaware for its convenience, but only after DB&F is given:

- a. Not less than 30 calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with Delaware prior to termination.

13.3 If termination for default is effected by Delaware, Delaware will pay DB&F that portion of the compensation which has been earned as of the effective date of termination but:

- a. No amount shall be allowed for anticipated profit on performed or unperformed services or other work, and
- b. Any payment due to DB&F at the time of termination may be adjusted to the extent of any additional costs occasioned to Delaware by reason of DB&F's default.
- c. Upon termination for default, Delaware may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event DB&F shall cease conducting business, Delaware shall have the right to make an unsolicited offer of employment to any employees of DB&F assigned to the performance of the Agreement, notwithstanding the provisions of Section 10.2.

13.4 If after termination for failure of DB&F to fulfill contractual obligations it is determined that DB&F has not so failed, the termination shall be deemed to have been effected for the convenience of Delaware.

13.5 The rights and remedies of Delaware and DB&F provided in this section are in addition to any other rights and remedies provided by law or under this Agreement.

13.6 Gratuities.

13.6.1 Delaware may, by written notice to DB&F, terminate this Agreement if it is found after notice and hearing by Delaware that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by DB&F or any agent or representative of DB&F to any officer or employee of Delaware with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of this Agreement.

13.6.2 In the event this Agreement is terminated as provided in 13.6.1 hereof, Delaware shall be entitled to pursue the same remedies against DB&F it could pursue in the event of a breach of this Agreement by DB&F.

13.6.3 The rights and remedies of Delaware provided in Section 13.6 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

14. Severability.

If any term or provision of this Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of this Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.

15. Assignment; Subcontracts.

15.1 Any attempt by DB&F to assign or otherwise transfer any interest in this Agreement without the prior written consent of Delaware shall be void. Such consent shall not be unreasonably withheld.

15.2 Services specified by this Agreement shall not be subcontracted by DB&F, without prior written approval of Delaware.

15.3 Approval by Delaware of DB&F's request to subcontract or acceptance of or payment for subcontracted work by Delaware shall not in any way relieve DB&F of responsibility for the professional and technical accuracy and adequacy of the work. All subcontractors shall adhere to all applicable provisions of this Agreement.

15.4 DB&F shall be and remain liable for all damages to Delaware caused by negligent performance or non-performance of work under this Agreement by DB&F, its subcontractor or its sub-subcontractor.

15.5 The compensation due shall not be affected by Delaware's approval of the DB&F's request to subcontract.

16. Force Majeure.

Neither party shall be liable for any delays or failures in performance due to circumstances beyond its reasonable control.

17. Non-Appropriation of Funds.

17.1 Validity and enforcement of this Agreement is subject to appropriations by the General Assembly of the specific funds necessary for contract performance. Should such funds not be so appropriated Delaware may immediately terminate this Agreement, and absent such action this Agreement shall be terminated as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available, at the end of the last fiscal year for which no appropriation is available or upon the exhaustion of funds.

17.2 Notwithstanding any other provisions of this Agreement, this Agreement shall terminate and Delaware's obligations under it shall be extinguished at the end of the fiscal year in which Delaware fails to appropriate monies for the ensuing fiscal year sufficient for the payment of all amounts which will then become due.

18. State of Delaware Business License.

DB&F and all subcontractors represent that they are properly licensed and authorized to transact business in the State of Delaware as provided in 30 *Del. C.* § 2301.

19. Complete Agreement.

19.1 This agreement and its Appendices shall constitute the entire agreement between Delaware and DB&F with respect to the subject matter of this Agreement and shall not be modified or changed without the express written consent of the parties. The provisions of this agreement supersede all prior oral and written quotations, communications, agreements and understandings of the parties with respect to the subject matter of this Agreement.

19.2 If the scope of any provision of this Agreement is too broad in any respect whatsoever to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially modified accordingly and that the whole of such provisions of the Agreement shall not thereby fail, but the scope of such provision shall be curtailed only to the extent necessary to conform to the law.

19.3 DB&F may not order any product requiring a purchase order prior to Delaware's issuance of such order. Each Appendix, except as its terms otherwise expressly provide, shall be a complete statement of its subject matter and shall supplement and modify the terms and conditions of this Agreement for the purposes of that engagement only. No other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the parties hereto with respect to the subject matter hereof.

20. Miscellaneous Provisions.

20.1 In performance of this Agreement, DB&F shall comply with all applicable federal, state and local laws, ordinances, codes and regulations. DB&F shall solely bear the costs of permits and other relevant costs required in the performance of this Agreement.

20.2 Neither this Agreement nor any appendix may be modified or amended except by the mutual written agreement of the parties. No waiver of any provision of this Agreement shall be effective unless it is in writing and signed by the party against which it is sought to be enforced.

20.3 The delay or failure by either party to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of that party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

20.4 DB&F covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. DB&F further covenants, to its knowledge and ability, that in the performance of said services no person having any such interest shall be employed.

20.5 DB&F acknowledges that Delaware has an obligation to ensure that public funds are not used to subsidize private discrimination. DB&F recognizes that if they refuse to hire or do business with an individual or company due to

reasons of race, color, gender, ethnicity, disability, national origin, age, or any other protected status, Delaware may declare DB&F in breach of the Agreement, terminate the Agreement, and designate DB&F as non-responsible.

20.6 DB&F warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, Delaware shall have the right to annul this contract without liability or at its discretion deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.

20.7 This Agreement was drafted with the joint participation of both parties and shall be construed neither against nor in favor of either, but rather in accordance with the fair meaning thereof.

20.8 DB&F shall maintain all public records, as defined by 29 *Del. C.* § 502(7), relating to this Agreement and its deliverables for the time and in the manner specified by the Delaware Division of Archives, pursuant to the Delaware Public Records Law, 29 *Del. C.* Ch. 5. During the term of this Agreement, authorized representatives of Delaware may inspect or audit DB&F's performance and records pertaining to this Agreement at the DB&F business office during normal business hours.

21. Insurance.

21.1 DB&F shall maintain the following insurance during the term of this Agreement:

- A. Worker's Compensation and Employer's Liability Insurance in accordance with applicable law, **and**
- B. Comprehensive General Liability - \$1,000,000.00 per occurrence/\$3,000,000 general aggregate, **and**
- C. Medical/Professional Liability - \$1,000,000.00 per occurrence/\$3,000,000 general aggregate; or
- D. Miscellaneous Errors and Omissions - \$1,000,000.00 per occurrence/\$3,000,000 general aggregate, **and**
- E. If required to transport state employees, Automotive Liability Insurance covering all automotive units used in the work with limits of not less than \$100,000 each person and \$300,000 each accident as to bodily injury and \$25,000 as to property damage to

others.

- 21.2. DB&F shall provide thirty (30) days written notice of cancellation or material change of any policies.
- 21.3. Before any work is done pursuant to this Agreement, the Certificate of Insurance and/or copies of the insurance policies, referencing the contract number stated herein, shall be filed with the State. The certificate holder is as follows:

Delaware Department of Natural Resources and Environmental Control
Division of Watershed Stewardship
89 Kings Highway, Dover, DE 19901

- 21.4. In no event shall the State of Delaware be named as an additional insured on any policy required under this agreement.

22. Assignment of Antitrust Claims.

As consideration for the award and execution of this contract by the State, DB&F hereby grants, conveys, sells, assigns, and transfers to Delaware all of its right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States and the State of Delaware, relating to the particular goods or services purchased or acquired by the State pursuant to this Contract.

23. Surviving Clauses

The following clauses survive the termination of this Contract: Sections 7, 8, & 9.

24. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, except where Federal Law has precedence. DB&F consents to jurisdiction and venue in the State of Delaware.

25. Notices.

Any and all notices required by the provisions of this Agreement shall be in

writing and shall be mailed, certified or registered mail, return receipt requested.
All notices shall be sent to the following addresses:

TO DELAWARE: Delaware Department of Natural Resources
and Environmental Control,
Division of Watershed Stewardship
c/o Stephen Wright
89 Kings Highway
Dover, DE 19901

TO DB&F: Davis, Bowen & Friedel, Inc.
c/o Ring Lardner
23 North Walnut Street
Millford, DE 19963

SIGNATURE PAGE TO FOLLOW

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

**STATE OF DELAWARE
DEPARTMENT OF NATURAL RESOURCES
AND ENVIRONMENTAL CONTROL**

Original on File

Original on File

Witness

Name

Date:

3/4/15

Title:

Secretary

Date:

3/4/15

DAVIS, BOWEN & FRIEDEL, INC.

Original on File

Original on File

Witness

Name

Date:

1/12/15

Date:

1/12/2015

Title:

PRINCIPAL